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EXECUTIVE SECRETARIAT

ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NIO/ECON	X			
20					
21					
22					
	SUSPENSE		Date		

Remarks

Arrived too late.

CC: [redacted] OGI [redacted]

Executive Secretary

29 Nov 84

Date

3637 (10-81)

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STAT

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THE WHITE HOUSE
WASHINGTON

Executive Registry
84- 9995

CABINET AFFAIRS STAFFING MEMORANDUM

LOGGED

Date: 11/28/84 **Number:** 169095CA **Due By:** _____

Subject: Cabinet Council on Economic Affairs Planning Meeting - November 29

8:45 A.M. - Roosevelt Room TOPIC: Financial Mkt. Developments

	Action	FYI
ALL CABINET MEMBERS	☐	☐
Vice President	☑	☐
State	☑	☐
Treasury	☑	☐
Defense	☑	☐
Attorney General	☐	☑
Interior	☐	☑
Agriculture	☑	☐
Commerce	☑	☐
Labor	☑	☐
HHS	☐	☑
HUD	☑	☐
Transportation	☑	☐
Energy	☐	☑
Education	☐	☑
Counsellor	☑	☐
OMB	☑	☐
CIA	☐	☑
UN	☐	☑
USTR	☑	☐
GSA	☐	☐
EPA	☐	☐
NASA	☐	☐
OPM	☐	☐
VA	☐	☐
SBA	☐	☐

	Action	FYI
CEA	☑	☐
CEQ	☐	☐
OSTP	☐	☐
_____	☐	☐
_____	☐	☐
_____	☐	☐
Baker	☑	☐
Deaver	☐	☑
Darman *(For WH Staffing)*	☑	☐
Mc Farlane	☐	☑
Svahn	☑	☐
Chapman	☐	☑
_____	☐	☐
_____	☐	☐
_____	☐	☐
_____	☐	☐
Executive Secretary for:		
CCCT	☐	☐
CCEA	☑	☐
CCFA	☐	☐
CCHR	☐	☐
CCLP	☐	☐
CCMA	☐	☐
CCNRE	☐	☐

REMARKS:

Attached for your information is a revision of the paper on "The Economy and the Budget" for the CCEA planning meeting on November 29, 1984.

RETURN TO:

☐ Craig L. Fuller
Assistant to the President
for Cabinet Affairs
456-2[illegible]

☐ Don Clarey ☑ Tom Gibson ☐ Larry Herbolsheimer
Associate Director
Office of Cabinet Affairs

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THE WHITE HOUSE

WASHINGTON

November 28, 1984

MEMORANDUM FOR THE CABINET COUNCIL ON ECONOMIC AFFAIRS

FROM: ROGER B. PORTER RBP

SUBJECT: Papers for November 29 Meeting

The paper on "The Economy and the Budget," which was distributed for the November 29 meeting, contains a significant error in the Table on page 3. That table shows the outlay effects of a small interest rate change. Unfortunately, the numbers in the table correspond to the effect of a large interest rate change. A corrected version of the page containing that table is attached.

Attachment

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- Recently, more rapid growth than expected has been associated with interest rates above our forecast, and slower growth with interest rates below the forecast. If Q4/84 interest rates are 0.6% below the forecasted level (and then return to the forecast in Q1/85), outlays will be reduced as shown below. (These figures include the debt service cost of the revenue and outlay changes discussed above.)

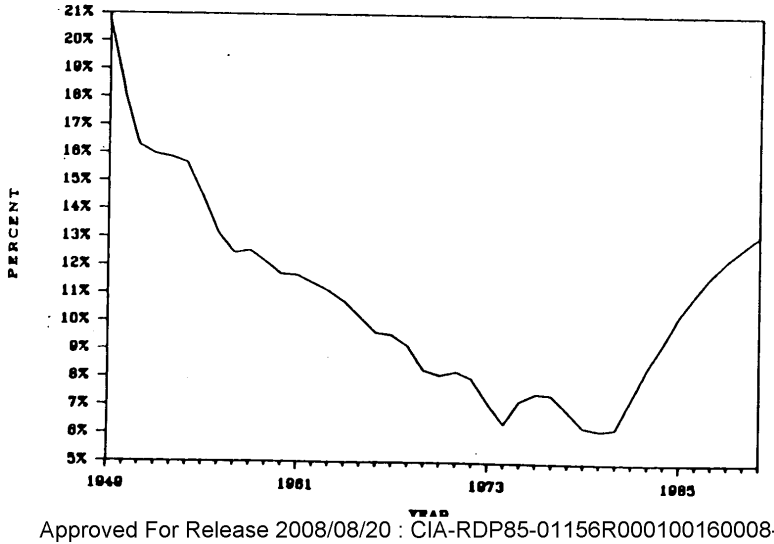
($, billions)

1985	1986	1987	1988	1989	1990
-0.4	0.8	1.5	1.9	2.1.	2.4

Long-term Deficits and the Economy

- Until very recently, and in spite of persistent, though small, Federal deficits, the Federal budget has allowed a type of "crowding in" of real capital in the economy in almost every year.
- This is because Federal debt held by the public has fallen as a share of total private wealth.

FEDERAL LIABILITIES TO PRIVATE WORTH



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